

In Re: Application of Lockhart Power Company for
a General Rate Increase

STATE OF SOUTH CAROLINA

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BEFORE THE
(Caption of Case)

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PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

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COVER SHEET

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) DOCKET

) NUMBER: 2010 - 181 - E

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(Please type or print)

Submitted by: Margaret M. Fox, Esquire

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Other: _____

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation

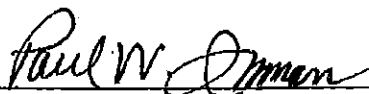
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|--|--|---|--|
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Water | <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: Verification |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Interconnection Amendment | <input checked="" type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |

STATE OF SOUTH CAROLINA)

VERIFICATION

COUNTY OF UNION)

PERSONALLY appeared before me, Paul W. Inman, who being duly sworn states that he is the Business Controller of Lockhart Power Company and that the hereto attached Notice of Filing and Hearing in Docket No. 2010-181-E was furnished to each of the Company's retail customers by a special mailing on March 8, 2011.


Paul W. Inman

Sworn to before me this
9th day of March, 2011


Rabecka Chavis

My Commission Expires: Jan. 14, 2019

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF FILING AND HEARING

DOCKET NO. 2010-181-E

APPLICATION OF LOCKHART POWER COMPANY FOR A RATE INCREASE

Pursuant to S.C. Code Ann. §§58-27-860 and 58-27-870 (Supp. 2010), Lockhart Power Company (Lockhart or the Company) filed an application for a general increase in its electric rates with the Public Service Commission of South Carolina (the Commission). Lockhart is a public utility operating in South Carolina, where it is engaged in the generation, transmission, distribution and sale of electricity to the public for compensation. According to the Application, Lockhart currently charges rates approved by the Commission as allowed by Order No. 2007-474 (Docket No. 2007-33-E). The Application reveals that Lockhart has been making investments in its generation, transmission, and distribution systems. Lockhart's return on rate base for its retail operations is 6.45% for the twelve months ended December 31, 2009 — the Test Year. Further, the Application states that Lockhart has recently made two significant investments in generation, which will result in a further decrease in its return on rate base.

According to the Application, Lockhart's proposed rates will produce a rate of return on retail rate base of 12.5% during the Test Year after the appropriate pro forma adjustments have been made. Additionally, the Application reveals that the proposed rates will produce an overall increase in retail revenues of 2.51% or a \$337,676 annual increase over the present test year retail revenue. According to the Company, Lockhart has designed its rates in a way that will move each customer class toward the average rate of return, while mitigating the impact of the increase on any individual class of customers. The proposed rate revenue average increase to the residential class is 3.20%; commercial class is 4.48%; street lighting is 4.49%; and outdoor lighting is 4.98%. Amount and percentage increases vary by rate schedules within these classes, and individual customer bill increases may also vary depending upon actual usage pattern and amount of consumption. In addition, Lockhart intends to collect from its retail customers during the first month in which the proposed rates are in effect the unbilled revenue resulting from Lockhart's Purchased Power Adjustment Clause, the mechanics of which create a one-month delay in its collection.

A copy of the Company's Application and proposed rates and charges, as well as the proposed terms and conditions of service can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Clerk's Office, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Lockhart's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, Saluda Building, 101 Executive Center Drive, Columbia, South Carolina on **Monday, June 27, 2011, at 10:30 a.m.**

Any person who wishes to participate in this matter as a party of record with the right of cross-examination, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **April 4, 2011**, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to **Docket No. 2010-181-E**.

Any party who wishes to testify and present evidence at the hearing concerning these matters should notify, in writing, the Clerk's Office at the address below, the Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201 and M. John Bowen, Jr., Esquire and Margaret M. Fox, Esquire, McNair Law Firm, PA, at P. O. Box 11390, Columbia, South Carolina 29211 on or before **April 4, 2011**, and indicate the amount of time required for the presentation. Please refer to **Docket No. 2010-181-E**.

Lockhart Power
Company Docket No.
2010-181-E
Page 2

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers should notify in writing, the Clerk's Office at the address below, the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, South Carolina 29201 and M. John Bowen, Jr., Esquire and Margaret M. Fox, Esquire, McNair Law Firm, PA, at P. O. Box 11390, Columbia, South Carolina 29211 on or before April 4, 2011. Please refer to ***Docket No. 2010-181-E***.

Any person, who wishes to be notified of the hearing, but does not wish to present testimony or participate as a party of record, may do so by notifying the Clerk's Office, in writing, at the address below on or before April 4, 2011. Please refer to ***Docket No. 2010-181-E***.

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Clerk's Office
Post Office Drawer 11649
Columbia, South Carolina, 29211

3/4/11
Revised